of 50,000 up to but not including 500,000, or

- (iii) Five air-line miles of any city with a population of 500,000 or greater, according to the latest available United States Census.
- (2) The commodities shall be considered to come from "normal rural sources of supply" within the specified distances from the establishment if they are received:
- (i) From farms within such specified distances, or
- (ii) From farm assemblers or other establishments through which the commodity customarily moves, which are within such specified distances and located in the open country or in a rural community, or
- (iii) From farm assemblers or other establishments not located in the open country or in a rural community provided it can be demonstrated that the commodities were produced on farms within such specified distances.
- (3) The period for determining whether 95 percent of the commodities are received from normal rural sources of supply shall be the last proceding calendar month in which operations were carried on for two workweeks or more, except that until such time as an establishment has operated for such a calendar month the period shall be the time during which it has been in operation.
- (4) The percentage of commodities received from normal rural sources of supply within the specified distances shall be determined by weight, volume or other physical unit of measure, except that dollar value shall be used if different commodities received in the establishment are customarily measured in physical units that are not comparable.

(Sec. 12(a) (10), 52 Stat. 1067, 29 U.S.C. 213(a) (10))

## §536.3 "Area of production" as used in section 13(a)(17) of the Fair Labor Standards Act.

(a) An employee employed by an establishment commonly recognized as a country elevator and having not more than five employees (including such an establishment which sells products and services used in the operation of a farm) shall be regarded as employed

within the "area of production," within the meaning of section 13(a)(17) of the Fair Labor Standards Act, if the establishment by which he is employed is located in the open country or in a rural community and 95 percent of the agricultural commodities received by the establishment for storage or for market come from normal rural sources of supply within the following air-line distances from the establishment:

- (1) With respect to grain and soybeans—50 miles;
- (2) With respect to any other agricultural commodities—20 miles.
  - (b) For the purpose of this section:
- (1) "Open country or rural community" shall not include any city, town, or urban place of 2,500 or greater population or any area within:
- (i) One air-line mile of the city, town, or urban place with a population of 2,500 up to by not including 50,000, or
- (ii) Three air-line miles of any city, town, or urban place with a population of 50,000 up to but not including 500,000, or
- (iii) Five air-line miles of any city with a population of 500,000 or greater, according to the latest available United States Census.
- (2) The commodities shall be considered to come from "normal rural sources of supply" within the specified distances from the establishment if they are received: (i) From farms within such specified distances, or (ii) from farm assemblers or other establishments through which the commodity customarily moves, which are within such specified distances and located in the open country or in a rural community, or (iii) from farm assemblers or other establishments not located in the open country or in a rural community provided it can be demonstrated that the commodities were produced on farms within such specified distances.
- (3) The period for determining whether 95 percent of the commodities are received from normal rural sources of supply shall be the last preceding calendar month in which operations were carried on for two workweeks or more, except that until such time as an establishment has operated for such a calendar month the period shall be the

time during which it has been in operation.

(4) The percentage of commodities received from normal rural sources of supply within the specified distances shall be determined by weight, volume or other physical unit of measure, except that dollar value shall be used if different commodities received in the establishment are customarily measured in physical units that are not comparable.

(Sec. 13(a) (17), 52 Stat. 1067, as amended, sec. 9, 75 Stat. 71; 29 U.S.C. 213 (a) (17))

#### § 536.4 Petition for amendment of regulations.

Any interested person or association wishing a revision of any section of this part may submit in writing to the Administrator a petition for amendment thereof, setting forth the changes desired and the reasons for proposing them. If upon inspection of the petition the Administrator believes that reasonable cause for amendment of the regulations is set forth, the Administrator will either schedule a hearing with notice to interested parties or will make other provisions for affording interested parties an opportunity to present their views in support of or opposition to the proposed change.

PART 541—DEFINING AND DELIMIT-ING THE TERMS "ANY EMPLOYEE EMPLOYED IN A BONA FIDE EX-ADMINISTRATIVE, ECUTIVE, PROFESSIONAL CAPACITY (IN-CLUDING ANY EMPLOYEE ÈM-PLOYED IN THE CAPACITY OF ACADEMIC ADMINISTRATIVE PERSONNEL OR TEACHER IN ELE-OR MENTARY SECONDARY SCHOOLS), OR IN THE CAPACITY OF OUTSIDE SALESMAN"

EFFECTIVE DATE NOTE: The President's Memorandum of January 29, 1981 (46 FR 11227, Feb. 6, 1981), directed Federal agencies to postpone for sixty days from January 29, 1981, the effective date of all regulations that they had promulgated in final form and had scheduled to become effective during such sixty day period.

Several sections in part 541 were revised at 46 FR 3013, Jan. 13, 1981, and the effective date subsequently postponed. For further ex-

planation, see the notes following the text of affected sections in this part.

### Subpart A—General Regulations

Sec.

- 541.0 Terms used in regulations.
- 541.1 Executive.
- 541.2 Administrative.
- 541.3 Professional.
- 541.5 Outside salesman.
- 541.5a Special provision for motion picture producing industry.
- 541.5b Equal pay provisions of section 6(d) of the act apply to executive, administrative, and professional employees, and to outside salesmen.
- 541.5d Special provisions applicable to employees of public agencies.
- 541.6 Petition for amendment of regulations.
- 541.52 Special provision for motion picture producing industry.

### Subpart B—Interpretations

541.99 Introductory statement.

# EMPLOYEE EMPLOYED IN A BONA FIDE EXECUTIVE CAPACITY

- 541.101 General.
- 541.102 Management.
- 541.103 Primary duty.
- 541.104 Department or subdivision.
- 541.105 Two or more other employees. 541.106 Authority to hire or fire.
- 541.107 Discretionary powers.
- 541.108 Work directly and closely related.
- 541.109 Emergencies.
- 541.110 Occasional tasks.
- 541.111 Nonexempt work generally.
- 541.112 Percentage limitations on nonexempt work.
- 541.113 Sole-charge exception. 541.114 Exception for owners
- 541.114 Exception for owners of 20-percent interest.
- 541.115 Working foremen.
- 541.116 Trainees, executive.
- 541.117 Amount of salary required.
- 541.118 Salary basis.
- 541.119 Special proviso for high salaried executives.

# EMPLOYEE EMPLOYED IN A BONA FIDE ADMINISTRATIVE CAPACITY

- 541.201 Types of administrative employees.
- 541.202 Categories of work.
- 541.203 Nonmanual work.
- 541.205 Directly related to management policies or general business operations.
- 541.206 Primary duty.
- 541.207 Discretion and independent judgment.
- 541.208 Directly and closely related.
- 541.209 Percentage limitations on non-exempt work.
- 541.210 Trainees, administrative.